

# Statement to Parliament: Secretary of State: Statement to Parliament September 4th 2018

Thank you Mr Speaker, and with your permission, I'd like to provide the House with an update on the progress of Brexit negotiations and the government's No Deal contingency planning.

## **Exit Negotiations**

On Friday I was in Brussels for the fourth time since I became Secretary of State, for a further round of talks with Michel Barnier.

We had an extended discussion, covering outstanding Withdrawal Agreement issues, internal and external security, and our future economic partnership.

We have injected some additional pace and intensity into the negotiations, as we reach the final phases.

The vast majority of the Withdrawal Agreement has been agreed. And when signed, the Agreement will:

- Safeguard the rights of EU citizens in the UK and UK nationals in the EU so they can continue to live their lives broadly as they do now;
- It will provide for a time-limited implementation period, giving businesses and citizens the certainty they deserve until we reach the new partnership; and
- It will allow for the UK to make an orderly and smooth transition as we move towards a future deep and special partnership with the EU.

In the course of August, we made further progress across a range of the outstanding separation issues including:

Protection of data and information, the treatment of ongoing police and judicial cooperation in criminal matters, and ongoing Union judicial and administrative procedures after exit.

So the scope and the contours of the Withdrawal Agreement are now clear, subject to some further technical detail that we will of course continue to work on.

## **Northern Ireland**

At the same time Mr Speaker we continue work to complete a backstop to deal with the position of Northern Ireland and Ireland, as we committed to do in the December Joint Report with the EU.

As the government has made clear, the EU proposals are unacceptable, because

they would create a customs border down the Irish Sea.

We are determined to reach a solution that protects the Belfast Agreement and avoids a hard border on the island of Ireland.

We will not permit a customs border down the Irish Sea, which would put at risk the constitutional and economic integrity of the United Kingdom, and of course, this can be done without compromising the EU's core principles.

Importantly, Mr Speaker, we look to meet our commitments to the people of Northern Ireland through our future partnership,

So that no backstop would ever need to come into effect.

## **Future relationship**

Mr Speaker, the White Paper we published in July has served as the basis for constructive discussions on our future relationship with the EU.

I, my Right Honourable Friend the Prime Minister, and other Cabinet colleagues have made visits across Europe, explaining our proposals making the case for what we have put forward for our future relationship.

I can tell the House that since the publication of the White Paper, ministers have had more than 60 engagements ministerially with their counterparts across Europe.

I met the French Europe Minister in Paris recently, I saw the Swedish Foreign Minister and the Irish Foreign Minister in London.

And I also met with Guy Verhofstadt, the European Parliament's Brexit coordinator last week.

And we've received a wide range of positive and constructive feedback.

Equally, just as we have presented our proposals in a spirit of compromise,

So too they have proved challenging in some respects for some in the EU.

But, our friends across Europe are engaging seriously with our proposals on the substance.

As my Right Honourable Friend the Prime Minister set out, we are committed to delivering on the vision in the White Paper,

And delivering a future relationship that will see:

- The United Kingdom leave the Single Market and the Customs Union;
- An end to free movement, so the UK controls its own borders;
- The end of the jurisdiction of the European Court; and
- And the UK and the EU meeting their shared commitments to Northern Ireland and Ireland in the way that I have already described.

And at the same time, we want to build up the foundations of a bright, strong and enduring new relationship for the future with:

- Frictionless trade across our borders;
- Continued close cooperation on law enforcement and other security matters;
- The UK free to develop its own independent trade policy; and
- Broader UK-EU cooperation from research to student exchanges, in many of the areas that we prize on both sides.

We approach these talks with ambition, pragmatism and with energy.

And if our EU friends match us, we will strike a deal that is in the clear and overwhelming interests of both sides.

## **No Deal Contingency Planning**

Mr Speaker, I would also like to update the House on steps the Government has taken over the summer to prepare for the unlikely event that we don't reach a deal with the EU.

And while we expect to reach a deal with the EU, while it remains the most likely outcome, and whilst it remains our top and indeed our overriding priority, as a responsible government, we have a duty to prepare for any eventuality.

So on 23 August, we published 25 technical notices, intended to inform people, businesses and stakeholders about steps they need to take in the event of a 'no deal' scenario.

They build on the steady and patient work that has taken place over the last two years to prepare this country for life outside the EU – irrespective of the outcome of the negotiations.

That work has included passing key bits of legislation to ensure a smooth Brexit, including the EU (Withdrawal) Act,

It includes recruiting the staff in Whitehall and our operational agencies so we have the teams in place.

And it includes preparing our institutional capacity, from the Competition and Markets Authority to the Information Commissioner's Office.

The technical notices continue the same, responsible, practical approach to preparing our country for Brexit.

Among the technical notices, there is advice for businesses on some of the new processes they would be expected to follow when moving goods between the EU and UK in a no deal scenario.

Our technical notice on workplace rights sets out how workers in the UK will continue to be entitled to the rights they have under UK law.

And we have set out how, in the event of no deal, we would recognise the testing and safety approvals of existing medicines if they've been carried out by an EU Member State regulator,

To minimise any disruption to the supplies of medicines or medical devices from the EU.

These notices are proportionate.

They are measured.

And they prioritise stability for our citizens, businesses, public bodies and indeed for NGOs.

The 25 notices published in August were the first in a series of updates which we will be publishing over the coming weeks to keep stakeholders informed about what, if any, action they need to take.

Our approach acknowledges that there are some risks to a 'no deal' scenario,

And demonstrates that we are taking the action to avoid, to minimise and to mitigate these potential risks so we are equipped to manage any short-term disruption.

And while it is not what we want, a no deal scenario would bring some countervailing opportunities.

We would be able to lower tariffs and negotiate and bring into effect new free trade deals, straight away.

There would be the immediate recovery of full legislative and regulatory control, including over immigration policy,

And, whilst mindful of our legal obligations, a swifter end to our financial contributions to the EU.

## **Looking Ahead**

So, Mr Speaker, I will continue to meet regularly with Michel Barnier,

Confident that a deal is within our grasp, and if the ambition and pragmatism that we have shown is matched by our EU friends.

But this House and the British people can rest assured, that the UK will be ready for Brexit – deal or no deal – and prepared, whatever the outcome, so this country will go from strength to strength.

And I commend this statement to the House.